

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Periodic Reporting
(Proposal Two)

Docket No. RM2021-4

CHAIRMAN'S INFORMATION REQUEST NO. 5

(Issued May 12, 2021)

To clarify the Postal Service's petition to consider proposed changes in analytical principles, filed March 24, 2021, the Postal Service is requested to provide written responses to the following questions.¹ Answers to the questions should be provided as soon as they are developed, but no later than May 19, 2021.

1. Please refer to the Excel file "Proposal Two FCM Letters Cost Model.xlsx" filed with the Petition and responses Chairman's Information Request No. 2.² In Response to CHIR No. 2, question 3.c., the Postal Service states that for the NONMODS ALLIED cost pool, letters "receive identical allied handlings at the delivery unit." The delivery costs appearing in Excel file "Proposal Two FCM Letters Cost Model.xlsx," tab "Proposal SUMMARY," cells "B41, B42, & B44" are different for each level of presort (Automation Mixed AADC, Automation AADC, and Auto 5-Digit Letters). Please explain how treating the NONMODS ALLIED cost pool as "Unrelated" instead of "Correlated" reflects these delivery cost differences.
2. In its Petition, the Postal Service states that "the data show distinct proportions of

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Two), March 24, 2021 (Petition).

² Responses of the United States Postal Service to Questions 1-5 of Chairman's Information Request No. 2, April 29, 2021, question 3.c. (Response to CHIR No. 2).

tallies by presort level for the three cost pool categories, with the proportions most similar to the volume shares for the Unrelated to Presort group.” Petition, Proposal Two at 13. The Postal Service maintains that the data submitted in Excel file “FY2020 IOCS MP FCM Presort by Rate.xlsx,” filed with the Petition, supports this statement.

In response to Chairman’s Information Request No. 3, question 7, the Postal Service provided additional Excel files, “FY2018 IOCS MP FCM Presort by Rate.xlsx,” and “FY2019 IOCS MP FCM Presort by Rate.xlsx.”³

- a. For Excel file “FY2018 IOCS MP FCM Presort by Rate.xlsx” please confirm that in tab “Tables 1-2,” the percentages in cells “B16,” “C16,” and “D16” are not similar to the percentages in cells “B18,” “C18,” and “D18.” If not confirmed, please explain.
- b. For Excel file “FY2019 IOCS MP FCM Presort by Rate.xlsx” please confirm that in tab “Tables 1-2,” the percentages in cells, “B16,” “C16,” and “D16” are not similar to the percentages in cells “B18,” “C18,” and “D18.” If not confirmed, please explain.
- c. Please refer to Table 2 on tab “Tables 1-2,” for Fiscal Year (FY) 2018, FY 2019, and FY 2020. Please explain why the “Unrelated to Presort” percent and the RPW volume percent are similar for FY 2020, but are not similar for FY 2018 and FY 2019.

By the Chairman.

Michael Kubayanda

³ Responses of the United States Postal Service to Questions 1-7 of Chairman’s Information Request No. 3, May 11, 2021, question 7.